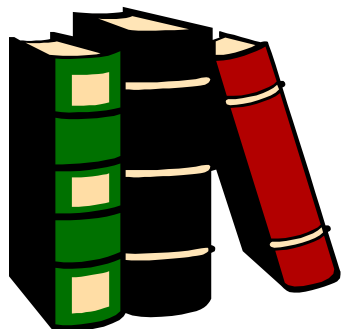


## FILING OF INCOME TAX RETURNS

A Company Return must be submitted to the Inland Revenue Department within three months after the end of the income year.

Small Business Enterprises submitting returns for the first time are advised to come to the Department to collect a Company Return Form. However, small business enterprises already registered with the Department will receive a Company Return Form (TD FORM IT2) through the mail.

**WHEN SUBMITTING A TAX RETURN PLEASE ENSURE THAT ALL THE RELEVANT SCHEDULES ARE COMPLETED AND THE DECLARATION IS DULY SIGNED.** This is essential for the easy processing of the Return.



## PENALTIES

A handout listing the penalties for offenses against the Income Tax Laws can be obtained from the Department.



## Our Mission

The Inland Revenue Department stands committed in its impartial treatment of its customers.

We aim to provide an efficient, professional and courteous service, while administering the relevant tax laws on behalf of the Government and people of Saint Lucia.



For further information, please contact us at our:



(1) Head Office in Castries

Telephone Number: 1-758-468-4700

Fax Number: 1-758-453-6072

(2) Tax Service Center in Vieux-Fort

Telephone Number: 1-758-454-6014

Fax Number: 1-758-454-9218

(3) Soufriere Sub-Office

Telephone Number: 1-758-459-7360

*Note: This pamphlet provides only basic information.*

Produced by the  
Taxpayer Relations Unit,  
Inland Revenue Department - St. Lucia

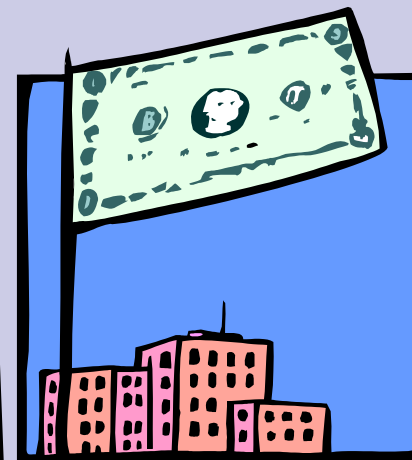
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SAINT LUCIA

## INLAND REVENUE DEPARTMENT



## TAX FACTS

Issue 3

## Small Business Enterprises

A "small-scale business enterprise" is defined as an enterprise incorporated during the year of income and:

- Is wholly owned by citizens of St. Lucia who have not been owners of previously incorporated businesses in St. Lucia;
- Employs not more than fifty persons;
- Has a gross income which does not exceed one million dollars;
- Engages in an activity on the listing of preferred business activity as approved by the Minister of Commerce in accordance with the provisions of any law in respect of micro or small scale business;
- Satisfies the provisions of any law in force in respect of micro or small scale business.

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Upon the formation of a small-scale/micro business enterprise, the owner/agent must incorporate this entity in accordance with the Companies Act 1996, or register under the Registration of Business Names Ordinance (Cap. 247).

Small enterprises are required to fill out the Non-Individual Enterprise Registration Form which can be obtained from the Tax Roll Unit of the Inland Revenue Department. A Company Tax Account Number will be issued which is to be used on all correspondence submitted to the Department.

## P.A.Y.E.

An employer is to register his company with the Inland Revenue Department within thirty (30) days after the end of the month in which he becomes an employer. Every employer is required to deduct tax from the remuneration of his employees in accordance with the Tax Deduction Tables which are issued upon registration.

The system by which employers deduct tax from the remuneration of their employees is known as the P.A.Y.E. System. With this system a Tax Code is used to determine the amount of taxes which should be deducted by referring to the Tax Deduction Tables. These payments are to be made to the Department by the 15th of the following month in which the taxes were deducted. The prescribed P.A.Y.E. Monthly Remittance Form should be used when making those payments.

Records of emoluments paid should be kept and be readily available for examination by officers of the Department as and when required for a period not exceeding six years.

Small enterprises should submit to the Department the P.A.Y.E. Annual Remittance Form and the Certificate of remuneration (TD5) no later than January 31 of the following year. The original and duplicate copies of the Certificate of Remuneration should be issued to the employees within one month of the end of the calendar year.



## INSTALMENTS

Three equal tax instalments are to be paid to the Department by March 25, June 25 and September 25 in each income year. The instalments are calculated as one third (1/3) of the estimated tax for that year. The income for the preceding year is used as a basis for calculating the estimated tax for the current year. Any balance of tax payable must be paid within three months after the financial year-end of the business.

A late-payment penalty of ten percent (10%), plus an interest rate of 12.5% per annum will be imposed on any unpaid balance.



## TAX RATES

(i)	for the first year	-	15%
(ii)	for the second year	-	20%
(iii)	for the third year	-	25%
(iv)	for the fourth year	-	30%
(v)	for the fifth and subsequent years	-	33 1/3%



## PAYMENTS TO CONTRACTORS

A rate of ten percent (10%) is levied on payments made directly or indirectly through a financial institution to a contractor, for the supply of labour and/or the hiring of equipment.